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## FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 5.26.2009

Washington Post: "Federal Reserve's Next Test: Reeling In Lifelines ... As if the worst recession since World War II, the near collapse of the financial system, and the prospect of double-digit unemployment weren't enough to deal with, the Federal Reserve now has something else to worry about: success."

Washington Post: "Allan Sloan: An Unhappy Anniversary for the Financial Crisis ... We're about to mark the anniversary of the financial meltdown. But don't expect to see any clinking of champagne glasses, because except for a handful of prescient (or lucky) investors, it's been a ghastly two years."

Washington Post: "Treasury Secretary: Economic CPR ... Like his boss, Timothy Geithner lived overseas as a youngster and is always up for a game of pickup basketball. But the Treasury secretary has never shared the court with Barack Obama -- and he's quick to admit he may not be in the president's league."

Washington Post: "Revised Homeowners' Aid Plan Finds New Potential Backers ... The Obama administration is attempting to revive a stalled government foreclosure prevention program that could restore equity to hundreds of thousands of borrowers whose home values have plummeted."

Washington Post, Editorial: "Government Motors ... GM's new owner (the Obama administration) should stop bullying the company's bondholders."

Wall Street Journal: "U.S. Cracks Down on Corporate Bribes ... The Justice Department is increasing its prosecutions of alleged acts of foreign bribery by U.S. corporations, forcing them to take costly steps to defend against scrutiny."

Wall Street Journal: "European Investors Grab Corporate Debt ... Struggling banks have proven reluctant to lend, so investors are coming to the rescue of cash-strapped companies in Europe by piling into even risky bonds at a rate that has surprised some analysts."

Financial Times: "PwC urges transparency as priority ... Accountants risk being sued into collapse and investors could lose vital information if policymakers emphasise the importance of financial stability over transparency, according to Samuel DiPiazza, head of PwC, the world's largest accounting firm."

Financial Times: "China stuck in 'dollar trap' ... China's official foreign exchange manager is still buying record amounts of US government bonds, in spite of Beijing's increasingly vocal fear of a dollar collapse, according to officials and analysts."

USA Today: "So far, investors aren't fighting back to change CEO pay levels ... This was the year corporate governance experts predicted that investors, stung by plunging stock prices as the recession intensified, would finally demand big changes in CEO pay levels and ineffective boards."

Los Angeles Times: "U.S. business-government relations undergo a climate change ... Corporate America is helping craft new rules as Obama pushes for tougher standards on vehicle fuel efficiency and other issues."

Reuters: "Chrysler slams Indiana State Treasurer's demands ... U.S. automaker Chrysler on Monday slammed Indiana State Treasurer Richard Mourdock as making demands that would ultimately push the carmaker into liquidation -- resulting in the loss of more than 4,000 jobs and 9,000 retiree pensions in Indiana alone."

Bloomberg: "GM Gets Concessions From CAW Before Probable Filing ... The Canadian Auto Workers union, almost one month after amending its contract with Chrysler LLC, ratified a cost-saving labor agreement with General Motors Corp. yesterday to protect jobs in a probable June 1 bankruptcy."

Politico: "Timothy Geithner gains new strength ... After his hellish opening weeks, Treasury Secretary Timothy Geithner started inviting White House economic officials across the street to his conference room for hours-long working dinners that have helped get - and keep - the whole team on the same page."

Politico: "Regulation war: business in crosshairs ... A battle royal is brewing on Capitol Hill for an already bruised business community. The Treasury Department this week is expected to unveil its plan for revamping the patchwork of agencies that oversee the financial industry."

Politico: "'Too big to fail'? ... One of the biggest mysteries from the financial bailouts of 2008 and 2009 is how some companies and firms were deemed "too big to fail" and others weren't."